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March 11, 1999

VIA HAND DELIVERY

Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, SW
Washington, DC 20554

RECEIVED

MAR 11 1999

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket Nos. 98-170, 98-184 -- Ex Parte Communications

Dear Ms. Salas:

On March 10, 1998, representatives of the Billing Reform Task Force ("BRTF") met with Robert C. Atkinson, Deputy Chief of the Common Carrier Bureau, to discuss issues relating to the above-referenced proceedings. Present on behalf of the BRTF were myself, Paul Schleifman, Albert Angel, and Peter J. Brennan.

The discussions concerning CC Docket No. 98-184 involved concerns regarding GTE's intention to discontinue billing and collection for 900-number services. The attached document, presented to Mr. Atkinson at the meeting, accurately and completely describe the substance of both discussions.

Any questions regarding this submission may be directed to the undersigned.

Sincerely,



Edwin N. Lavergne
Counsel to the Billing Reform Task Force

Attachment

cc: Robert C. Atkinson, Esq.

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List A B C D E

March 10, 1999

BILLING REFORM TASK FORCE
SUMMARY OF CONCERNS REGARDING GTE

1. What is the Billing Reform Task Force?

The BRTF is a non-profit organization that represents the interests of 15 leading service bureaus, information providers and billing entities that provide 800, 900 and other interactive telephone services. Many BRTF members offer valuable services via 900 numbers. For example, ICN, which has been in business for over 10 years, uses 900 lines to provide the official lottery results for several State lotteries. ICN also provides weather information through The Weather Channel, personals services for dozens of major city newspapers, sports and racing results, and polling for major TV and cable networks. The TPI Group, another BRTF member, is the nation's largest provider of newspaper voice personals services.

2. Why is the Task Force concerned about GTE's plans to stop billing for certain services?

GTE intends to stop billing and collecting for all interstate 900 number services. There are no other economically viable ways to bill for 900 number services in GTE's territory. Thus, implementation of GTE's plan will mean that 900 number services will be unavailable to consumers in a significant portion of the United States. Moreover, if the Bell Atlantic/GTE merger goes through, the impact of this decision could be even more widespread.

3. Why should the FCC be concerned about GTE's actions?

GTE's decision is contrary to the FCC's goal to "encourage the availability of 900 services" because Congress found that such services "provide valuable information, increase consumer choices, and stimulate innovative and responsive services that benefit the public." *South Carolina Blocking Order*, 8 FCC Rcd 698, 700-01 (1993). GTE's decision also undermines the efforts of the FCC to encourage the use of 900 numbers, as opposed to other dialing patterns, for access to audio entertainment and information services. *See Pay-Per-Call and Other Information Services*, 11 FCC Rcd 14738 (1996). Indeed, both the FCC and the FTC are taking steps to eliminate the use of other dialing patterns for access to such services.

4. **Since the FCC has deregulated billing and collection, does it have jurisdiction to consider this matter?**

Yes. Although the FCC deregulated billing and collection services in 1986, it reserved the right to assert Title I ancillary jurisdiction over billing and collection when “necessary to ensure the achievement” of its statutory responsibilities. *Audio Communications, Inc. Petition for a Declaratory Ruling*, 8 FCC Rcd 8697, 8700 (1993). The exercise of Title I jurisdiction is necessary here to carry out the statutory goal of the Telephone Disclosure and Dispute Resolution Act of 1992 (“TDDRA”) to “promote the development of legitimate pay-per-call services.” 11 FCC Rcd 14738, 14740. The exercise of Title I jurisdiction is also necessary to carry out the FCC’s objective of “maintaining the general availability of, and easy access to, 900 services.” 8 FCC Rcd 698, 701.

5. **What should the FCC do?**

- A. **Rocket Docket.** The Commission should initiate an accelerated docket proceeding to address the BRTF’s claim that GTE’s actions violate the TDDRA’s mandate to promote the development of legitimate pay-per-call services. BRTF members will present evidence establishing that there are no competitive alternatives to billing and collecting for 900 services in GTE’s territory. If the FCC finds that no alternatives are available, the BRTF would ask the FCC to narrowly exercise its Title I jurisdiction to require GTE to continue billing and collecting for 900 services on reasonable terms and conditions until such time as other viable alternatives are available.
- B. **Merger Conditions.** The Commission should advise GTE and Bell Atlantic that it is concerned about this issue in light of their merger plans, and should develop an appropriate record before permitting the merger.
- C. **Industry Forum.** The Commission should convene an industry forum to discuss billing and collection discrimination and access problems generally.